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Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: special economic assistance to individual countries or regions

Assistance for the reconstruction and development of Djibouti

Report of the Secretary-General**

I. Introduction

1. The present report is submitted pursuant to General Assembly resolutions 48/198, 50/58 F, 51/30 E, 52/169 K, 53/1 J and 54/96 C on assistance for the reconstruction and development of Djibouti. It provides a brief description of the progress made in the implementation of the most recent resolution.

II. General situation

2. Djibouti covers an area of 23,000 square kilometres (km^2), characterized by an arid climate and extremely limited water and agricultural potential. However, the country is strategically situated in the Horn of Africa at the juncture of the Red Sea and the Indian Ocean. It has a coastline of 370 km and common borders with Eritrea in the north, Ethiopia in the west and south, and Somalia in the south-east. Djibouti is the natural commercial door for Ethiopia.

3. The majority of Djiboutians are from the Afar and Somali ethnic groups; the other groups are of Yemeni and Ethiopian origins. The country's population, estimated at 680,000 in 1998, is mostly urban and concentrated in the capital, Djibouti City, where almost two thirds reside. The annual natural growth rate is estimated at 3.1 per cent. In addition, there is a sizeable refugee population from neighbouring countries, which has strained the meagre resources available. According to the latest estimates there are 23,243 refugees of whom 21,706 are from north-western Somalia. While the total number of displaced persons (Djiboutians and non-Djiboutians) is not known, estimates range from 100,000 to 150,000 according to the National Office of Assistance to Refugees and Disasters.

4. The Human Development Report 2001, issued by the United Nations Development Programme (UNDP), ranked Djibouti 137 among the 162 countries reviewed. The overall social situation of the country is precarious owing to the limitations of the educational and training system, the inadequate health facilities, the limited natural resources and the very small private sector. The adult literacy rate is no more than 63.4 per cent, while

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life expectancy at birth is one of the lowest in the world: 42.6 years for men, and 45.3 years for women.

5. Women play an active role in the economy of Djibouti, especially in the informal and small-enterprise sectors, and constitute 32.2 per cent of the labour force. In the formal urban sector, women are employed mainly as clerical or administrative staff, while in rural areas they play an important role in raising livestock.

6. Non-Djiboutians unsettled by the conflicts in the Horn of Africa (i.e., immigrants and refugees) consume a sizeable share of Djibouti's limited health services. With the health system completely free for all and with the increasing numbers of beneficiaries, the system can no longer provide adequate services to the entire population. In addition, the internal armed conflict has caused physical damage to the health infrastructure.

7. Primary education in Djibouti is currently provided by a network of 64 public and nine private schools. Student/teacher ratios in primary schools range from 34:1 to 43:1 in the rural areas and about 46:1 in the city. Some schools with large numbers of students are forced to practise double-shifting, a system which may have to be extended if the growing demand for more public education cannot be met by increased investment in more schools. In some areas, schools have been closed because of the lack of adequate infrastructure and teachers. In 2001, with the help of the French Cooperation Agency, a university nucleus called Pôle Universitaire de Djibouti was inaugurated, which will train students and confer a two-year graduate diploma in certain areas.

8. The employment situation is closely linked to the educational sector. Unable to access a general secondary education or any kind of professional training, more than 4,000 young people arrive each year in the labour market without any qualification. This number is expected to continue to grow over the next few years, particularly in Djibouti City, as internal migration from the rural areas to the capital increases owing to the shortage of pasture and fertile land.

9. Djibouti has a dual economy, characterized by an important informal sector that serves a population with weak purchasing power, and by a modern economy based on a solid port and airport infrastructure, which serves a population with strong purchasing power that depends almost entirely on imports.

10. It is estimated that more than 80 per cent of the enterprises fall into the informal and semi-informal sector, including a large number of informal microenterprises. Women, who figure strongly in this sector, could perhaps play a stronger economic role if they were to have increased access to microfinancing.

11. In the absence of significant natural resources, the economy of Djibouti is based on services, a sector which contributed about 80 per cent of the country's gross domestic product (GDP) in 2000. The agricultural and industrial sectors remain very small, respectively, 3 per cent and 20 per cent of GDP. At the regional level, Djibouti enjoys a relative comparative advantage thanks to its efficient transport infrastructure (port, airport, railroad), banking establishments and telecommunications facilities. The country has one of the most liberal economic regimes in Africa. Its currency is freely convertible and there are no controls on capital movement.

12. Economic indicators for Djibouti have been declining in the past few years. Real GDP grew on average by 2 per cent in 1998 and 1999 and by 1 per cent in 2000. Income per capita has experienced a real decrease, contracting by about 10 per cent over the past five years.

13. The country suffers from a structural trade deficit (US$ 32 million in 2000, according to the Central Bank), with a high level of imports and a low level of exports. The armed conflict in the north and the south-west, which forced most of the country's development projects to a halt, and the unstable social and political situation prevailing in Ethiopia and Somalia have accelerated the deterioration of the Djiboutian economy.

14. The Government's budget deficit in 2000 (excluding external budgetary grants) was about 1.5 per cent of GDP and payment arrears increased to $119 million. The public enterprise sector has a serious cash problem, compounded by its contribution to the governmental budget (the Government owes $90 million to public enterprises). Civil servants' wages are paid with six months' delay. External assistance has decreased.

III. Current situation

15. The democratic process initiated after the signature of the peace agreement with the opposition in

December 1994 has led to a new multi-party political system. The first experience with the new system was the parliamentary elections of 1997, which resulted in the representation of the opposition group in the national Parliament and was followed by a coalition Government of national unity. To date, no woman has ever been elected to the Parliament.

16. A second development in the political process came with the announcement that the first and only President since independence in 1977, Hassan Gouled, would not run in the presidential elections at the end of his term. The Government invited some external entities and countries to dispatch observers to the elections, which took place on 9 April 1999. Observers from such organizations as the Organization of African Unity (OAU), the League of Arab States, the Organisation Internationale de la Francophonie and some representatives from embassies of Arab and European countries and the embassy of the United States of America responded to the Government's invitation. The new candidate designated by the ruling party, Ismaïl Omar Guelleh, won against the representative of a broad and unified opposition, becoming, as of May 1999, the country's second elected head of State.

17. In February 2000, a memorandum of understanding was signed between the Government and the last of the factions of the Front for the Restoration of Unity and Democracy (Front pour la Restauration de l'Unité et de la Démocratie) (FRUD), which had not signed the 1994 peace agreement and had continued armed conflict in the north. On 12 May 2001, an official signature ceremony held in Djibouti concluded the peace process between the Government and representatives of FRUD. While some progress has been achieved on decentralization, the political issue of the structure of the Government has not been finalized.

18. In December 2000, the former chief of police, General Yassin Yabeh Galab, attempted a coup d'état which was resolved with minimum human and material losses.

19. In May 2000, the Government formally launched the Somalia Peace Conference hosted in the town of Arta, with the permanent presence of the Special Representative of the Secretary-General for Somalia and with the logistical and financial support of UNDP.

20. As a result of the Ethiopia-Eritrea dispute, Djibouti port activities, which had been absorbing only 25 per cent of the Ethiopian traffic so far, increased substantially in 1998, with a positive revenue impact for the Government and GDP. However, this sudden increase in the volume of Ethiopian import traffic through Djibouti placed heavy demands on the port of Djibouti and related infrastructure. The country's main challenge today is to try to take advantage of the new situation, which has investment and capacity-building implications. This issue was partially resolved through the privatization of the port of Djibouti to the Dubai Ports Authority in June 2000. Since then, however, efforts by the Ethiopian Government to decrease its dependency on the port of Djibouti by promoting the increased utilization of other ports in the region, coupled with the significant reduction in fuel and oil imports with the end of the war with Eritrea, have caused a significant decrease of traffic through the port of Djibouti.

21. At the social level, conditions of life continue to be characterized by decreasing purchasing power, which was in a worsening trend in 1997-1998. Poor health conditions, the low level of educational facilities and a workforce with limited qualifications also continue to hamper social progress.

22. Djibouti has initiated a demobilization programme with assistance from France and the European Union. Of the 18,000 soldiers to be demobilized, about two thirds have received financial incentives to leave the army. However, those being demobilized face difficulties getting employment because of their low qualifications or limited skills and the poor state of the economy. The demobilization programme needs to be carefully synchronized with a socio-economic reinsertion programme as well as with ongoing rehabilitation activities in the regions affected by the conflict. This is being partially handled by two new institutions funded by the World Bank and the African Development Bank, the Agence Djiboutienne d'Exécution des Travaux d'Intérêt Public and the Social Development Fund, both created in 1999 and fully operational since 2000.

23. The year 1998 was marked by frequent power failures and cuts. Electricity ran for only about four to six hours a day, and the power plant used only 10 per cent to 20 per cent of its capacity. This constrained growth in the services sector, greatly reducing the productivity of the labour force. In 2000, with the help of a loan from the Arab Fund for Economic and Social Development, the Government was able to purchase

and install four new generators. The power situation returned to normal during the last semester of 2000.

24. The country is still facing financial obligations largely exceeding its capacity, while sources of external financing are shrinking. Not only has development assistance decreased, but with the number of French military personnel posted in Djibouti diminishing as a result of the new orientations of France's defence policy since 2000, a major contribution to GDP is also decreasing, now down to 40 per cent from its high of 60 per cent.

25. The Government's standby agreement with the International Monetary Fund (IMF) foresees increased efforts to improve economic management through the reduction of public spending, the consolidation of fiscal policy and the implementation of financial control procedures. However, the implementation of the agreement has run into serious problems, notably due to a lack of funds for demobilizing soldiers called up during the civil war. In May 1997, a round-table meeting of donors partially alleviated this constraint: France and the European Union agreed to assist in the demobilization process. Consequently, negotiations started with IMF to conclude an Enhanced Structural Adjustment Facility agreement, finally signed in June 1999.

26. The IMF programme is backed by World Bank funding for institutional reforms, consolidation of the public sector and financial stabilization. Implementation of the programme, which began in 1997, is ongoing. In May 2001, in spite of government claims that it complied with IMF recommendations, the Fund suspended its programme for Djibouti pending clarification of the figures provided by the Ministry of Finance.

27. In Djibouti City, where 65 per cent of the population live, and in certain coastal areas, the water points have reached a high degree of salinity. A recent report submitted to the Government by the Deutsche Gesellschaft für Technische Zusammenarbeit anticipates a dramatic shortage of drinkable water for the capital around the year 2020.

IV. Major issues

28. Reconstruction and development have been under way but slow since the peace accord ended civil strife. The social reintegration of the demobilized soldiers and their socio-economic reinsertion remain priorities for the country. Social infrastructure, such as hospitals, dispensaries, schools and water points have to be rebuilt so that the displaced population can be resettled. Development activities need to be initiated in support of primary health care, primary schools and income generation. Environmental problems related to desertification are very serious. They have been exacerbated by urban and rural poverty, which are both a cause and an effect of environmental degradation.

29. Even if all the political and administrative difficulties encountered in the execution phase of the rehabilitation programme for the war-affected districts have not yet been overcome, several activities have been successfully implemented to encourage the sustainable resettlement of displaced persons, such as the rehabilitation of the hospital in Obock and of water supply facilities in Dikhil, as well as the realization of a small-scale microcredit project targeting the women of Tadjoura.

30. Budget reductions have seriously affected the education, health and social sectors. Djibouti's educational system is currently under pressure to meet the challenges of growing unemployment, rising demand from a young population and the influx of refugees. High dropout rates at both the primary and intermediate school levels also adversely influence the employment potential of Djibouti's youth. Technical and vocational training is very limited, and there is a need for new policy ideas in education and employment. The country receives technical and financial support from the World Bank through the Social Development Fund, a mechanism aimed at tackling the social consequences of the structural adjustments and at alleviating poverty.

V. Role of the United Nations

31. There is close cooperation among United Nations agencies with an increasing focus on social development. Efforts to define a common strategy on programming matters based on the development priorities of Djibouti have recently intensified. In this context, a first common country assessment and United Nations Development Assistance Framework exercise was launched in 2001 for completion in the first quarter of 2002. United Nations activities in Djibouti currently concentrate on health, food security, rehabilitation and reconstruction, environmental

conservation, refugee repatriation, governance, human rights, gender mainstreaming and the integration of non-governmental organizations (NGOs) and civil society in development.

32. The most important reference framework for United Nations agencies in Djibouti is the Government's second 10-year National Development Plan, 2001-2010. The outline of the Plan indicates the high priority the Government grants to poverty alleviation, with specific concentration on creating employment, improving the health sector and strengthening and expanding the educational system to establish, for the first time since independence, a national university. The Plan makes special reference to women and youth as top priority beneficiary groups, as well as to supporting the service sectors of the economy and attracting investment capital to Djibouti.

33. As part of its contributions to policy formulation, UNDP assisted the Government in producing the first National Human Development Report in 2000. By analysing Djibouti's sustainable human development situation in terms of constraints and potential, the report helped the Government formulate the National Strategy for Poverty Alleviation, a more focused product developed by the National Commission for Poverty Alleviation with UNDP support. The Government is currently designing a poverty reduction strategy paper with World Bank support. UNDP participates in the thematic groups. UNDP also helped the Ministry of Finance conduct a budget analysis using the 20/20 approach. The results of this analysis, taken into account for the preparation of the 2002 budget, are expected to lead to increased allocations for basic social services.

34. The United Nations Conference on Trade and Development (UNCTAD), the International Trade Centre, UNDP and the European Union assisted the Government in preparing its National Action Programme to the Third United Nations Conference on Least Developed Countries, which was also useful for the formulation of the country's 10-year National Development Plan.

35. UNDP, the United Nations Industrial Development Organization and UNCTAD combined expertise in helping the Government assess, through a feasibility study, the potential impact on the economy and private sector development of establishing a commercial, industrial and services free zone.

36. A 1999 evaluation of the potential of microcredit to alleviate poverty, jointly conducted by UNDP, the United Nations Population Fund (UNFPA) and the United Nations Children's Fund (UNICEF) allowed the Government, UNDP, the African Development Bank, UNICEF, UNFPA and the Arab Gulf Programme for United Nations Development Organizations to initiate, in 2000, a pilot microcredit for women programme.

37. Within the framework of General Assembly resolution 50/58 F, the UNDP-funded Reconstruction and Rehabilitation Programme for Conflict-affected Regions of Djibouti, which started in 1996, is ongoing. The $1.7 million programme aims at enhancing national capacity to articulate and manage national reconstruction and rehabilitation activities. The programme also funds small-scale projects identified by the communities through representative development committees.

38. A UNDP-financed governance programme supports economic reform, decentralization and regional planning, as well as public administration capacity assessment. In February 2001, the programme funded the formulation of an integrated programme aimed at building capacity in several key governance institutions, such as the national audit (Chambre des comptes), the Office of the Mediator of the Republic and the Ministry of Decentralization.

39. In 2000, UNDP helped the Government create a national strategy to mainstream women in the development process and began to provide ongoing assistance to the Ministry of Women and the Ministry of Justice to formulate and finalize a Family Code (Code Civil). UNDP also funds capacity-building activities for non-governmental organizations.

40. The Government also realizes the importance of strengthening its database and statistics, the lack of which continues to hamper all development and development assistance planning efforts. In this respect, with joint World Bank, UNFPA and UNDP assistance, the Government has undertaken to produce a master statistical sample to enhance the planning and evaluation capacity of Government as well as donors. Under the disaster management programme, UNDP is assisting the Government in building its capacities for disaster prevention, mitigation and management.

41. With funding from the Global Environment Fund and under the Capacity 21 fund (a global action plan for sustainable development), UNDP is assisting the

Government in capacity-building to implement all the global conventions and to manage the environment. The national strategy for sustainable environmental management and the biodiversity strategy were fully endorsed by the Government and are to be incorporated into the 10-Year National Development Plan.

42. As part of support to youth and civil society, the United Nations International Drug Control Programme and UNDP assisted the Ministry of Youth, Sports, Leisure and Tourism of Djibouti in the formulation of a national strategy against drug abuse and trafficking. UNDP advocacy also encouraged Djibouti to ratify officially, in February 2001, the four international conventions on drug reduction.

43. The 2000 report on the global HIV/AIDS epidemic of the Joint United Nations Programme on HIV/AIDS (UNAIDS) indicates that the prevalence of HIV/AIDS in Djibouti is 11.7 per cent among the general population. Under the programme, UNDP, the World Health Organization (WHO), UNFPA, UNICEF and the French Cooperation Agency are supporting the Government's national programme against HIV/AIDS. Since 1996, within the framework of UNAIDS, UNDP has been developing a process which led to the elaboration of a juridical and ethical framework. Various national partners and many other actors involved in the fight against AIDS have been closely associated with the process. Funds for reducing the socio-economic impact of HIV/AIDS are at present exhausted and UNDP is mobilizing additional resources to continue the effort against the epidemic.

44. United Nations agencies and other partners work together through the UNAIDS Thematic Group under the auspices of the resident coordinator, as well as with the National AIDS Programme and local NGOs. The World Food Programme (WFP) will provide, through the Ministry of Public Health, a daily wet meal to the HIV/tuberculosis patients at the tuberculosis hospital, located in Djibouti City. An international NGO, Live International, is currently rehabilitating the hospital kitchen and will be supplying the required utensils and cooking facilities for the preparation of meals. UNICEF is developing two strategies in the fight against HIV/AIDS. The first consists in promoting prevention activities among young people. For this a project has been prepared by the country office and approved by the Andorra National Commission for UNICEF for a total amount of $240,000 for the next three years. In the process of preparing a pilot project to prevent HIV/AIDS transmission from the father or mother to the child, UNICEF has invited a Djibouti technical team to make a technical observation trip to Rwanda, where a similar project is already in place. It is worth recalling that in January 1999 WHO sponsored the participation of two Djiboutians at the inter-country meeting on perinatal transmission of HIV, held in Cairo. Since 1998, WHO has been allocating resources in its regular budget for activities to combat HIV/AIDS and sexually transmitted diseases.

45. The Structural Adjustment Programme initiated in 1998 as a result of the first round-table meeting held the previous year has been partially implemented. UNDP and the World Bank have provided financial support to strengthen the capacity of the National Demobilization Committee to implement the programme. The World Bank is also funding a technical assistance programme aimed at accompanying the financial stabilization process. The programme's three components include public enterprise reforms and privatization, institutional reforms and demobilization and social reinsertion.

46. Since 1994-1995, the Office of the United Nations High Commissioner for Refugees (UNHCR) has repatriated about 37,000 Ethiopian refugees from refugee camps in Djibouti to their homeland. As of 1 January 2001, 2,503 Ethiopian refugees remained in Djibouti camps, along with 20,706 Somali refugees and 34 refugees of other nationalities. Most of the 18,000 Djiboutians who fled the civil war are thought to have returned spontaneously, though 1,500 Djibouti refugees are estimated to remain in Ethiopian camps. Following the peace agreement signed in February 2000 between the Government of Djibouti and FRUD, a tripartite agreement between the Government of the Democratic Republic of Ethiopia, the Government of Djibouti and UNHCR for voluntary repatriation of the Djibouti Afar refugees from Ethiopia (estimated at 1,500 persons) was signed on 24 January 2001. The repatriation operation is expected for September 2001. The Government of Djibouti has ratified the 1951 Convention relating to the Status of Refugees and the 1967 Protocol thereto. It has not, however, acceded to the OAU Convention Governing the Specific Aspects of Refugee Problems in Africa. In the absence of national refugee legislation, the branch office of UNHCR in Djibouti has been promoting the adoption by the Government of a refugee law, which would

define the legal basis for a clear asylum policy in Djibouti.

47. The bureau for the Eligibility Commission run by the Government and funded by UNHCR is fully operational. The Commission, on which UNHCR had observer status, resumed sitting on 8 January 2001. Sixty cases were determined, of which only nine were granted refugee status. There remain 2,500 cases to be examined and it is to be hoped that this backlog will be cleared during the course of 2001.

48. The main obstacle preventing the Somali refugees from returning to their country of origin is the unwillingness by the local authorities in Somalia to welcome them back. In 1999, a visit by the elders' committee of the refugees to Hargeysa and the Awdal region produced positive results. Since then, however, Djibouti's initiative to host the Arta Conference for Peace in Somalia has strained relations between Djibouti and the local authorities of Somalia who have not been inclined to consider the repatriation of the Somali refugees presently on Djibouti soil.

49. Within the framework of its programmes for food assistance to vulnerable groups, school feeding projects, refugees and, particularly, drought victims, WFP provides food relief to Djibouti to support the Government's efforts to save lives and livelihoods, alleviate poverty and improve the nutritional status of people affected by the current natural disasters. Pregnant women, children, the elderly and vulnerable groups receive particular attention.

50. WFP is continuing its assistance to schools, hospitals and orphanages in districts that were directly affected by the war. Working with UNICEF and the Ministry of Public Health, it provides supplementary feeding rations to 10 nutritional rehabilitation centres located in the overpopulated areas of Djibouti City and the four districts of the interior for 8,200 children under the age of five suffering from moderate and acute malnutrition. Over 5,500 school children have been receiving food aid in 2001 under the WFP school feeding programme. As a result, the percentage of girls in schools has increased to 42.8 per cent of the total, and the Ministry of Education aims to reach 50 per cent country-wide over the next two years. Since 1998, WFP has also been supporting adult literacy programmes for women.

51. In January 2000, in response to a government appeal for assistance to an estimated 100,000 drought victims, WFP allocated 6,291 tons of food at a cost of $2,725,494. However, after the April 2000 visit of the Secretary-General's Special Envoy on the Drought in the Horn of Africa, the United Nations country team undertook an assessment of the risk of an influx of people across the Ethiopia-Djibouti border. As anticipated, due to the poor rainfall, an estimated additional 50,000 drought victims entered the localities of Dikhil, Obock and Djibouti City. This led WFP, in October 2000, to increase its assistance accordingly, allocating 10,200 metric tonnes of various commodities to the drought-affected population. The beneficiaries of this emergency project are rural populations who have lost most of their belongings, displaced populations who have lost their livestock and have temporarily settled in cities and villages, and nomadic people, coming from neighbouring countries, who reside in Djibouti City and peri-urban areas.

52. In collaboration with UNFPA and UNICEF, WFP also intends to use food rations to support the training of some 500 traditional birth-attendants in the whole country with the view to improve conditions of deliveries.

53. WFP contributes a food-for-rehabilitation-work component, executed by the United Nations Office for Project Services, to the UNDP-funded post-conflict rehabilitation programme. This collaboration will continue over the year 2001.

54. In the area of food security, WFP and the Ministry of Agriculture (Food and Agriculture Organization of the United Nations National Focal Point) sponsor various food-for-work projects with regard to food security policy formulation as well as direct support and capacity-building for farmers' cooperatives. At the request of the Government, WFP-Djibouti has also identified several food-for-work projects to be implemented by the Ministry of Agriculture and the Ministry of Housing and Environment for the construction of gabions, wells, water retention and conservation infrastructures, the cleaning of the city sewage system, the collection of household garbage and the planting of trees.

55. As part of efforts made by WFP to link relief to development by making its interventions more sustainable and emphasizing food-for-work activities, the Government, local communities and implementing partners such as the Agence Djiboutienne d'Exécution des Travaux d'Intérêt Public have identified various

activities which can be carried out through the food-for-work programme, including the construction and rehabilitation of social infrastructure, including hospitals, health care centres, primary schools, secondary roads and wells.

56. For the past 10 years, WFP has also been providing all the food requirement needs of the Somali and Ethiopian refugees, of whom 24,000 are still in the two camps of Holl Holl and Ali Addeh.

57. In collaboration with the French Cooperation Agency, and within the framework of its regular programme, UNICEF and the Ministries of Health and Education have rehabilitated and equipped 90 per cent of the schools and health centres destroyed during the internal conflict. UNICEF was actively involved in the preparation of Djibouti's National Plan on Education for the period 2001-2005. Technical support was provided to help finalize the Plan, as well as to research learning barriers for the primary school curriculum, especially French language and mathematics. UNICEF provided equipment to the rehabilitated schools and clinics and supported the training of teachers and health workers. Some 183 health workers were trained in integrated management of childhood and 203 traditional birth attendants were trained in safe delivery techniques. UNICEF provided basic health kits to mobile teams in two districts (Dikhil and Ali-Sabieh), and helped to set up a new central vaccine cold room.

58. The main areas of focus of the UNICEF-Djibouti regular cooperation programme (1999-2003) are promotion of health and education and advocacy for the protection of women's and children's rights. The overall budget allocated to this cooperation framework amounts to nearly $7 million.

59. Within the framework of its mandate, WHO is providing assistance to Djibouti in its reconstruction and rehabilitation efforts. WHO gives priority to its programme of basic development needs, whose strategy is the self-reliance of the community. The programme started with advocacy and exploratory activities in 1998-1999, and implementation has been in progress since April 2001 in Dikhil District and in one township of Djibouti District. WHO expects other partners, particularly United Nations agencies, to support this initiative. WHO also considers water supply and sanitation to be an important issue. Concerning disease control, particular attention has been paid to strengthening the capacity of the country to prevent and respond to epidemic diseases.

60. With regard to HIV/AIDS, WHO participates in local activities through the UNAIDS thematic group within the resident coordinator system in order to reinforce the potential capacity of the national AIDS programme. At present, in addition to its technical and advocacy role, WHO contributes financially to the prevention and control of HIV/AIDS activities directly through its regular budget. In collaboration with other partners, WHO will continue to provide technical assistance, wherever needed, to train health personnel and to supply drugs and medical equipment, particularly in the northern part of the country, which was severely affected during the war of 1991-1994. In the context of Drought Alert 2001, WHO-Djibouti submitted two projects aimed at rehabilitating the badly equipped District Health Centre laboratory of Ali-Sabieh (front line of the Somali and Ethiopian displaced populations) and the Tuberculosis Centre in Dora (Tadjoura District), devastated by the civil war. Response from donors is expected in the course of 2001.

61. Living conditions in the refugee camps are basic and there is little prospect of introducing income-generating activities there. The four camps are located in remote sites close to the Ethiopian and Somali borders. Food assistance is provided by WFP, and medicine and nutritional advice is given by the Association of Medical Doctors of Asia. UNESCO helped in educating about 1,500 refugee children in the camp schools. The Evangelical Protestant Church of Djibouti is providing limited social assistance to urban refugees living in Djibouti City. In addition to its role of giving international protection to refugees, UNHCR is funding and ensuring the overall supervision and monitoring of the assistance programme.

62. In February 2001, the Office for the Coordination of Humanitarian Affairs launched a United Nations Emergency Consolidated Appeal for the Drought in the Horn of Africa. The Djibouti component of this appeal called for $11.3 million for drought-related assistance in the areas of food, health and nutrition, water and sanitation, seeds and agriculture, livestock, shelter, mine action and coordination and security. A United Nations Inter-Agency Donor Alert for the Drought in Djibouti 2001 was also prepared by the United Nations country team to complement the consolidated appeal.

The Donor Alert constituted an expanded version of the summary contained in the regional appeal.

VI. Conclusions

63. Djibouti's development challenges are first and foremost related to the economic and financial crisis, which resulted from the civil strife and changes in the international and subregional context. In addition, recurring emergency situations, including drought, flood and epidemics, combined with large-scale destruction of livestock, water points, health and educational facilities as a result of the internal conflict in the country, led to the large-scale movement of displaced populations and considerably increased Djibouti's need for further emergency and humanitarian assistance.

64. The rural population in the country's five districts consists mainly of nomadic herdsmen living precariously on pastures depleted by drought and overgrazing. This situation has resulted in extensive losses of livestock and reduced milk production. Drought also affects the urban population, with Djibouti City facing severe water shortages, especially in the summer months from May to August. There is an urgent need to find ways to make better use of rainwater and to explore country-wide water resources.

65. The rehabilitation process already initiated has to be strengthened. Djibouti still needs to rebuild much of its rural infrastructures so as to enable people to return to their original homelands. Most schools, roads, hospitals, water facilities and dispensaries have to be reconstructed. Microcredit programmes and highly labour-intensive projects and programmes have to be implemented to encourage the population to return to their villages. There is also a need to promote income-generating activities by introducing small-scale agriculture at the rural level. It is estimated that at least $100 million is needed to mitigate the socio-economic impact of the civil war.

66. Building national management capacity in support of sustainable human development remains a vital priority. Assistance is needed in the fields of governance, administrative reform and economic management. It is also important to support the training of national officials to contribute to the rebuilding of a fragile and declining economy.

67. Djibouti will have to find a way to enable the refugees and the displaced persons of neighbouring countries to return to their countries of origin. This can be done with the active support of the Intergovernmental Authority on Development and UNHCR.

68. The educational system needs to be modified to respond to Djibouti's current and future needs and to avoid an increasing number of school dropouts. At the same time, consideration must be given to how to provide opportunities to those without qualifications or with limited skills.

69. The Secretary-General remains deeply committed to the implementation of General Assembly resolutions 48/198, 50/58 F, 51/30 E, 52/169 K, 53/1 J and 54/96 C. He calls upon the international community to provide financial support to enable him to provide technical assistance for implementing urgent socio-economic programmes for the reconstruction and development process in Djibouti.